

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

In the matter of:

Dennis Hartwig, President
First Fidelity Financial, Inc.
18 Carlisle Street
Gettysburg, PA 17325

Respondent

Issued and entered this
15TH day of February 2005
by Linda A. Watters,
Commissioner

ORDER TO CEASE AND DESIST

The Office of Financial and Insurance Services (hereafter OFIS), of the Michigan Department of Labor & Economic Growth, pursuant to the Administrative Procedures Act of 1969, 1969 PA 306, as amended; MCL 24.201 et seq., the Michigan Uniform Securities Act, 1964 PA 265, as amended; MCL 451.501 et seq. (hereafter the Act), and the rules promulgated under the Act (hereafter the Rules), says that:

I
BACKGROUND

1. Dennis Hartwig (Hartwig) is an individual whose last known address is: 18 Carlisle Street, Gettysburg, PA 17325.
2. First Fidelity Financial, Inc. is an entity whose last know address is: 18 Carlisle Street, Gettysburg, PA 17325.
3. Terra Link, Inc. is an entity whose last known address is: 690 Red Rock Road, Gettysburg, PA 17325.

4. At all times material Hartwig represented First Fidelity Financial, Inc.
5. From approximately March 1998 to April 1998, Hartwig made telephone solicitations to a Michigan resident. These solicitations offered and sold stock that were issued by Terra Link, Inc.
6. In May 2004, OFIS received a complaint from a Michigan resident concerning the Respondent.
7. The complaint alleged that Hartwig sold 100 shares of stock issued by Terra Link, Inc. for a total cost of \$150,000.00 to the complainant.
8. Section 201 of the Act, MCL 451.601, prohibits a person from transacting business in this state as a broker dealer or agent unless registered under this Act.
9. At no time material herein were Hartwig or First Fidelity Financial, Inc. registered as a broker-dealer or a registered sales agent by the National Association of Securities Dealers (NASD) nor approved for registration in Michigan.
10. At no time material herein was Terra Link, Inc. registered as a security or exempt from registration.
11. Section 301 of the Act, MCL 451.701, provides that it is unlawful for any person to offer or sell any security in this state unless 1 of the following is met:
 - a. It is registered under the Act.
 - b. The Security or transaction is exempted under Section 402 of the Act, or
 - c. The security is a federally covered security.
12. Section 101(2) of the Act, MCL 451.501(2), provides that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly to

make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.

13. Section 101(3) of the Act, MCL 451.501(3) states that it is unlawful for any person, in connection with the offer or sale of securities, to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.
14. Hartwig did not disclose the fact that:
 - a. Neither he nor First Fidelity Financial, Inc. were authorized to sell securities in Michigan; or
 - b. The securities (Terra Link, Inc.) he was offering were not registered in Michigan.
 - c. The sale of Terra Link Inc. stock did not qualify for any exemption granted by the Act.
15. Sections 407(a)(2) and 407(b), MCL 451.807(a)(2) and 451.807(b), allows the Administrator to requires the filing of statements and the production of documents.
16. By certified letter dated June 22, 2004, the Administrator required the Respondent to file, with OFIS, a written statement as to all the facts and circumstances concerning the securities activities of the Respondent regarding the offer and sale of Terra Link, Inc. stock within the State of Michigan.
17. Respondent failed to provide the written statement required by the Administrator.

CONCLUSIONS OF LAW

WHEREAS, Section 408 of the Act, states that whenever it appears to the Administrator (Commissioner of the Office of Financial and Insurance Services) that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this act or any rule or order hereunder, it may in its discretion issue a cease and desist order or bring an action in a circuit court to enjoin the act or practices and to enforce compliance with this act or any rule or order hereunder; and

WHEREAS, the Administrator finds that a person must be registered under Section 201 of the Act in order to offer to sell or sell investments; and

WHEREAS, the records of OFIS disclose that neither Hartwig nor First Fidelity Financial, Inc. were registered to conduct business in the State of Michigan; and

WHEREAS, the investment offered by Respondent Hartwig thru First Fidelity Financial, Inc. are a security within the meaning of Section 401; and

WHEREAS, the records of OFIS disclose that the investments offered by Respondent were not:

- a. Registered under Section 302 of the Act;
- b. Exempt from registration under Section 402 of the Act; and
- c. Federally covered securities; and

WHEREAS, the records of OFIS disclose that the securities transactions relating to Terra Link, Inc. are not exempt under Section 402 of the Act; and

WHEREAS, the Administrator finds that the Respondent Hartwig omitted to state the material fact that they are not licensed under the Act and the investments sold are unregistered securities; and

WHEREAS, based on the foregoing, the Administrator finds that Respondent is engaged in acts and practices that violate Sections 101, 201, 301, and 407(a)(2) of the Act and Rules promulgated under the Act; and

WHEREAS, the Administrator finds this action necessary and appropriate in the public interest for the protection of the public and consistent with the purposes fairly intended by the policy and provisions of the Act.

IT IS THEREFORE ORDERED, pursuant to Section 408 of the Act, MCL 451.808, that: The Respondent shall immediately CEASE AND DESIST from transacting business in this state as a broker-dealer or agent, without being registered under the Act and from offering to sell or selling unregistered securities in and from the State of Michigan.

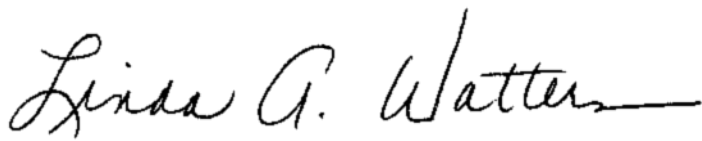
Failure to comply with this ORDER will subject you to one or more of the following:

- a. A civil penalty of not more than \$1,000 for each violation of this act, but not to exceed a total of \$10,000.
- b. A criminal penalty of not more than \$25,000 for each violation, or imprisonment of not more than 10 years, or both.

You may file with the Administrator within 15 days after service of this Order a written request for a hearing. The Administrator, within 15 days after your filing, shall issue a notice of hearing and set a date for the hearing. Any request for a hearing should be addressed to: the Office of Financial and Insurance Services, Attention: Hearing Coordinator Dawn Kobus, P.O.

Box 30220, Lansing, Michigan 48909. If you do not request a hearing, or it is not ordered by the Administrator within 15 days, this order will stand as entered and will be FINAL.

MICHIGAN DEPARTMENT OF
LABOR AND ECONOMIC GROWTH

A handwritten signature in black ink that reads "Linda A. Watters" followed by a horizontal line.

By: _____
Linda A. Watters, Commissioner
Office of Financial and Insurance Services